

Commonwealth of Massachusetts, Executive Office of Public Safety Summary of Homeland Security Grant Program Accomplishments

The Executive Office of Public Safety (EOPS), along with its operational agencies, has primary responsibility for homeland security, and is also responsible for most of the domestic homeland security grant funding programs for Massachusetts. The Secretary of Public Safety serves as both the Homeland Security Advisor to the Governor, as well as the State Administrative Agency for the federal grant funding. The first year with significant homeland security funding responsibilities for EOPS was the federal fiscal year (FFY) 2003 grant year. In order to understand the EOPS homeland security funding operation today, it is helpful to view it in the context of the significant organizational and operational challenges and accomplishments of the past few years, which are described below.

I. Background – prior to FFY2003

After the September 11, 2001 attacks, Acting Governor Jane Swift issued an Executive Order establishing the Office of Commonwealth Security, an independent entity reporting directly to the Office of the Governor. Key state accomplishments in the aftermath of the September 11, 2001 attacks include:

- **Equipment purchase program.** The legislature appropriated \$19 million for local police and fire departments to purchase terrorism preparedness equipment.
- **Statewide Anti-Terrorism Unified Response Network (SATURN).** EOPS created a SATURN web site and a terrorism tip line were established, as well as an email notification system for registered SATURN users

II. Creating a national model – 2003 - 2005

In early 2003, Governor Romney consolidated the Office of Commonwealth Security into the EOPS and designated EOPS as the State Administrative Agency for homeland security grant funding provided by the Office of Domestic Preparedness (ODP). This consolidation put responsibility for administration of grant funding into the same executive office as the operational responsibilities of the State Police, Massachusetts Emergency Management Agency, Massachusetts National Guard, Department of Fire Services, Criminal History Systems Board, and the Department of Correction. Within the Executive Office of Public Safety (EOPS), the Programs Division, the existing grant-making agency, was assigned responsibility for homeland security grants. As grant funding amounts have increased and the program areas become more complex, the grant-making responsibility for homeland security has become significant enough to become its own division within EOPS, working alongside the Programs Division.

Challenges. In ramping up the homeland security grant funding program in 2003, the Executive Office of Public Safety faced a number of challenges, including:

- **Sheer magnitude of the program** -- The increase from prior years was nearly 20-fold in the amount of funding provided to Massachusetts from the federal

government. Comparing FFY 2002 and 2003, the funding increased from \$6 million to \$59.4 million.

- **The emphasis on speed of spending rather than strategy development --** The federal program requirements for FFY2003 did not mandate that a program strategy be completed in advance of the funding being allocated, but instead focused exclusively on the speed of allocating the funding to municipalities. The Congressional directive that the Department of Homeland Security (DHS) spends swiftly resulted in a DHS mandate to states to obligate funds in 45 and 60 days. For FFY 2004 and FFY 2005, state strategies have been required.
- **Delays in receiving clear federal direction on spending priorities --** The rapid and dramatic increase in available federal funding in 2003 did not include actionable program priorities, but instead offered an allowable equipment list that included thousands of items. No equipment standards were provided, and the result was an opportunity for vendors to market directly to municipalities with significant new funds.
- **Challenges to develop an effective grants administration infrastructure.** Prior to the arrival of Public Safety Secretary Edward Flynn, grant-making at EOPS had been characterized by a lack of oversight and sound management practice. Grant-making was based on outdated technology and was conducted without any documented standard operating procedures, providing easy access for abuse of the system. Issues of concern included:
 - Poor internal controls
 - Grants made without proper process or documentation
 - Grants made out of compliance with federal guidelines
 - Lack of grantee oversight
 - Lack of documented policies or practices for awarding or managing grants

Key accomplishments. Massachusetts has developed a philosophy and vision for homeland security that is now being replicated or emulated by many other states. Key aspects of our homeland security approach are described below.

- **We have taken an all-hazards approach recognizing that efforts to detect, prevent and respond to and mitigate the consequences of a terrorist attack must be part of the day to day business of state and local government.** Because terrorists often commit traditional crimes to support their extremist agenda and frequently they collaborate with individuals involved in traditional criminal activity, fighting terrorism must build on and enhance traditional crime fighting, not compete with it. The same proactive, information driven and multi-disciplinary methods used to effectively mitigate crime, disorder, public health, social service and other emerging problems serve as the foundation for homeland security efforts.
- **Massachusetts was the first state to have our state-wide strategy approved by DHS, and our strategy presaged the DHS move to a threat-based approach.** Regional meetings were conducted to brief first responders on the strategy, email notification was made to all registered first responder contacts in each municipality when the strategy was approved, and it has been posted on our web site. Everything is driven by this plan, providing consistency and direction

to all homeland security activity in the state. No funds can be disbursed that are not planned in accordance with this strategy.

- **In FFY2004, Massachusetts pioneered a risk-based approach to funding which is now being adopted by other states and by DHS.** This innovative approach allows funds to be applied where they are most needed, making most efficient use of the federal investment in Massachusetts. The foundation of this approach was a statewide threat, vulnerability and risk assessment performed by the Massachusetts State Police (MSP). This assessment involved the identification of critical assets, special events and potential threat elements and blending those lists with current threat intelligence so as to identify those potential targets that were at the greatest risk of being attacked.
- **Creating the infrastructure for centralized, standardized intelligence - the information fusion center.** Our state police have developed an information fusion center that is our single source of homeland security communications and intelligence information analysis and dissemination. Threat, vulnerability and risk related information drives all of our activities -- whether it is the allocation and disbursement of funds or the development and implementation of protective, response and continuity plans. This all stems from our philosophy that it is not possible to protect every potential target from every conceivable type of attack -- there needs to be a system of prioritization, and that is what we are developing.
- **Creation of homeland security funding regions for Massachusetts has provided an incentive as never before to collaborate and share ideas and priorities across municipal boundaries in support of mutual aid.** The challenge of responding to a large incident in the Commonwealth of Massachusetts is that no single entity can handle it alone. Even our largest city, Boston, called upon dozens of municipalities in the region, and numerous state agencies to help out during the Democratic National Convention. Creating a sense of regionalism in Massachusetts has been a great challenge because of the long history of municipal independence and local control. But the response to any terrorist attack would by definition require a regional approach.
- **Planning was made a priority, and was established as a precondition for spending.** We mandated that funds could not be spent on major projects until the planning phase was completed. Regional planning councils were given a few months to complete their strategic plan for funding priorities, working with their respective fiduciary agent.
- **Interoperability expenditures must be in alignment with the statewide interoperability strategy and can only be made after review by the Statewide Interoperability Committee.** We established as a grant condition from the very beginning that funds for any communications or interoperability projects could not be spent until the state completed its interoperability strategy. In the summer of 2003, Massachusetts was the first state to conduct a statewide interoperability study, and our final strategy was published months before the

federal government established their strategic planning guidelines. Our long-term state-wide strategy for interoperability of voice and data communications drives all purchases and planning for communication. Communities may not expend funds for communication projects until they certify that the project is consistent with the state-wide strategy.

- **Internal controls and fiscal processing for all grants has improved considerably in the Romney Administration, resulting in higher degree of clarity and transparency in all operations.** To improve overall accountability and transparency of processing, the Executive Office of Public Safety took on an aggressive internal improvement program beginning in the summer of 2003. By the end of calendar year 2004, significant improvements in processing of grants and accounting for federal expenditures had been achieved through changes also supported by our oversight partners. In fact these improvements were recognized with a Special Recognition award from the Pioneer Institute for Public Policy in their 2004 Better Government Competition. The chart below describes some of the key grants administration improvements relevant to the homeland security grant program.

Key accomplishments for Homeland Security grants processing

Challenge	Response
<ul style="list-style-type: none"> • Selection criteria and grant selection process not clear or publicly known 	<ul style="list-style-type: none"> • Development of peer review process • Documented grant selection criteria • Wide outreach to stakeholder community to provide information
<ul style="list-style-type: none"> • No written policies and procedures, management by exception 	<ul style="list-style-type: none"> • Written policies and procedures, documentation of all major activities in best practice manual that is
<ul style="list-style-type: none"> • Limited use of technology 	<ul style="list-style-type: none"> • Electronic submission of grants • Electronic dissemination of grant information
<ul style="list-style-type: none"> • No standardized documentation of grants 	<ul style="list-style-type: none"> • Standard grant files • Standard grantee recordkeeping
<ul style="list-style-type: none"> • No standards for reimbursement 	<ul style="list-style-type: none"> • Documentation standards for reimbursement • Documentation standards for grantee backup documentation in files
<ul style="list-style-type: none"> • Ad hoc site visits and grantee oversight 	<ul style="list-style-type: none"> • Annual site visit strategy for both programmatic and fiscal review • Mandatory grantee workshops and other training to improve compliance
<ul style="list-style-type: none"> • Limited fiscal resources for oversight and management 	<ul style="list-style-type: none"> • Increased fiscal staff resources • Creation of fiscal organizational hierarchy with clearly defined roles and responsibilities

The challenges ahead – 2005 and beyond

There are a number of challenges to the ongoing success of the homeland security grant program in Massachusetts.

- **The tension between speed and strategy.** Simply put, it is not possible to simultaneously maximize both speed and deliberation. Congress, the media, and the public have placed a fair amount of emphasis on the speed of delivery of

funds. This can create a notion of success for grant makers defined by money spent fast, rather than money spent wisely.

- **Challenges at ODP.** Early on, the limited supply of ODP approved training slowed the process of training our first responders. Approved ODP training courses available to grantees, but the demand for these services far exceeded the supply of available classes. Much has been remedied by 2006. For example, while funding was first made available by ODP in the spring of 2003, it was not until late 2004 that the expanded training catalog was released. Popular ODP classes can have wait times of six months to one year. For example, only 25% of our FFY 2003 grantees receiving training funds were able to spend their grant dollars in a timely fashion due to such restrictions. In addition, the slow process for petition approvals delayed the process. When a community wanted to participate in any training other than an official ODP course, the petition process was confusing and the outcome unpredictable. Training petitions took anywhere from one day to six months to prepare, as communities were required to come up with the standards simultaneous with preparing the materials.
- **Complex relationships among various fiscal systems.** The process of distributing federal dollars through a state agency to a municipality, often via a regional planning agency, involves multiple processing and administrative steps relying on technologies and systems infrastructure that are sometimes incompatible. The federal financial system at the heart of the process is a cumbersome legacy system that Massachusetts and several other states find frustrating and unreliable. Contemporaneously, the Massachusetts Comptroller's Office upgraded its financial system resulting in significant processing delays for federal grant draw downs due the new system's inability to generate automatic reports tracking the drawdown of federal funds. This resulted in a perception at the federal level that Massachusetts was not spending its homeland security money, when in fact the problem was a technical challenge in aligning the accounting systems. The problem has since been solved, through the partnership with the State Comptroller's Office and the State Treasurer's Office to develop a formal process for tracking and monitoring drawdown reconciliation. Additionally, organizational changes in early 2006 at the federal level with the establishment of the Office for Grant Operations that oversees all Department of Homeland Security Funds has remedied the fiscal system collision.